

GUTFLEISH LAW, LLC

Three University Plaza, Suite 410

Hackensack NJ 07601

(201) 241-2032

Harry M. Gutfleish, Esq.

(harry@gutfleishlaw.com)

Attorneys for First Real Estate

Investment Trust of New Jersey

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

SEARS HOLDINGS CORPORATION, *et als.*,

Debtors.

Chapter 11

Case No. 18-23538 (RDD)

(Jointly Administered)

**SUPPLEMENTAL STATEMENT REGARDING CURE AMOUNT FOR STORE #3202
FILED BY FIRST REAL ESTATE INVESTMENT TRUST OF NEW JERSEY**

First Real Estate Investment Trust of New Jersey, through its attorneys, submits this supplemental statement in connection with the Notice Of Assumption And Assignment Of Additional Designatable Leases filed by the Debtors at Docket Number 3298 (the “Notice of Assumption”).

1. First Real Estate Investment Trust of New Jersey is the landlord and KMart Corporation (“KMart”) is the tenant under a lease, as amended from time to time, of nonresidential real property located in Westwood, New Jersey (the “Lease”). The premises leased to KMart is designated as Store #3202.

2. On January 25, 2019, First Real Estate Investment Trust of New Jersey filed an objection at Docket Number 1815 to the stated cure amount in Exhibit B to the Notice Of Cure Costs And Potential Assumption And Assignment Of Executory Contracts And Unexpired Leases In Connection With Global Sale Transaction filed by the Debtors at Docket Number 1731 (the “Initial Objection”) in which it advised that:

As of the date hereof, and as evidenced by Exhibit A, KMart has failed to pay \$137,821.22 on account of its *pro rata* real estate taxes, which amount accurately reflects the true arrearages and cure amount owed to First Real Estate Investment Trust of New Jersey.

In the event that the assumption and assignment of the Lease is consummated after February 1, 2019, KMart will be indebted to First Real Estate Investment Trust of New Jersey for an additional \$115,616.70, for a total cure amount of \$253,437.92.

3. The assumption and assignment of the Lease did not occur prior to February 1, 2019 and, as of that date, the cure amount owed to First Real Estate Investment Trust of New Jersey was \$253,437.92.

4. On April 1, 2019, one or more of the Debtors paid \$115,616.70 on account of the first quarter 2019 real estate taxes owed.

5. However, as reflected in Exhibit A to the Initial Objection, an additional real estate tax payment is due on May 1, 2019, also in the amount of \$115,616.70.

6. Therefore, in the event that the assumption and assignment of the Lease is consummated after May 1, 2019 and the Debtors do make any additional cure payments, KMart will be indebted to First Real Estate Investment Trust of New Jersey for an additional \$115,616.70, and the total cure amount owed will remain \$253,437.92.

7. First Real Estate Investment Trust of New Jersey reserves all rights to amend this statement and to assert all rights and objections in connection with any transaction involving the assumption and assignment of the Lease.

GUTFLEISH LAW, LLC
*Attorneys for First Real Estate
Investment Trust of New Jersey*

By: /s/ Harry M. Gutfleish
Harry M. Gutfleish

Dated: April 26, 2019

CERTIFICATE OF SERVICE

I, Harry M. Gutfleish, certify that on April 26, 2019 I caused a copy of the foregoing Statement filed on behalf of First Real Estate Investment Trust of New Jersey in connection with cure amount owed for Store #3202 (Westwood, NJ) to be served by transmission of Notice of Electronic Filing generated by CM/ECF on all parties of record, and on the parties and in the manner set forth below.

/s/ Harry M. Gutfleish

Dated: April 26, 2019

SERVICE LIST

BY EMAIL

I. Bid Notice Parties

a. Debtors

Rob Riecker: rob.riecker@searshc.com
Luke Valentino: luke.valentino@searshc.com
Mohsin Meghji: mmeghji@miiipartners.com
General Counsel: counsel@searshc.com

b. Debtors' counsel

Ray Schrock, Esq.: ray.schrock@weil.com
Jacqueline Marcus, Esq.: jacqueline.marcus@weil.com
Garrett A. Fail, Esq.: garrett.fail@weil.com
Sunny Singh, Esq.: sunny.singh@weil.com
Ellen J. Odoner, Esq.: Ellen.Odoner@weil.com
Gavin Westerman, Esq.: Gavin.Westerman@weil.com

c. Debtors' investment banker: project.blue.rx@lazard.com

II. Buyer Parties

a. Buyer

Kunal S. Kamalani: kunal@eslinvest.com
Harold Talisman: harold@eslinvest.com

b. Counsel

Christopher E. Austin, Esq.: caustin@cgsh.com
Benet J. O'Reilly, Esq.: boreilly@cgsh.com
Sean A. O'Neal, Esq.: soneal@cgsh.com

III. Consultation Parties

a. Bank of America

Paul Leake, Esq.: Paul.Leake@skadden.com
Shana Elberg, Esq.: Shana.Elberg@skadden.com
George Howard, Esq.: George.Howard@skadden.com

b. Wells Fargo Bank

Kevin J. Simard, Esq.: ksimard@choate.com
Jonathan D. Marshall, Esq.: jmarshall@choate.com

c. Committee

Ira S. Dizengoff, Esq.: idizengoff@akingump.com
Philip C. Dublin, Esq.: pdublin@akingump.com
Abid Qureshi, Esq.: aqureshi@akingump.com
Sara L. Brauner, Esq.: sbrauner@akingump.com

BY FIRST CLASS MAIL

Transform Holdco, LLC
c/o ESL Partners, Inc.
Attention: Kunal S. Kamlani and Harold Talisman
1170 Kane Concourse, Suite 200
Bay Harbor Islands, FL 33154

Sears Holdings Corporation
Attn: General Counsel
3333 Beverly Road
Hoffman Estates, IL 60179

Weil, Gotshal & Manges LLP
Attention: Ray C. Schrock, Ellen J. Odoner,
Gavin Westerman and Sunny Singh
767 Fifth Avenue
New York, New York 10153

Cleary Gottlieb Steen & Hamilton LLP
Attention: Christopher E. Austin,
Benet J. O'Reilly and Sean A. O'Neal
One Liberty Plaza
New York, NY 10006